

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 2132 - SB 2139**

March 5, 2022

**SUMMARY OF BILL:** Authorizes an additional privilege tax upon the privilege of occupancy in a hotel in an amount not to exceed three percent. Applies only to metropolitan counties with a population less than 25,000.

**FISCAL IMPACT:**

**Increase Local Revenue –**

**Exceeds \$13,000/FY22-23 and Subsequent Years/Moore County/Permissive**

**Assumptions:**

- It is assumed that the proposed legislation will apply to two counties with metropolitan forms of government and with population less than 25,000: Moore and Trousdale.
- Moore County has one hotel with 25 rooms and currently imposes the maximum authorized occupancy tax rate of 3 percent. Trousdale County does not have any hotels and has not yet adopted an occupancy tax.
- It is assumed that Moore County will levy an additional tax of three percent as a result of this legislation.
- The annual financial report for FY19-20 for Moore County, conducted by the Comptroller's Office, reflects total hotel occupancy tax collections of \$12,740.
- It is therefore assumed that the proposed legislation will result in a recurring permissive increase in local revenue to Moore County exceeding \$13,000.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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